STAFF REPORT

MEETING DATE:	**June 25, 2013**
SUBJECT:	**Consider Labor Subcommittee Action Related to Salaries, Benefits, and Human Resources Policies and Procedures**
AGENDA ITEM:	**13**
STAFF CONTACT:	**Dan Little, Executive Director**

SUMMARY:

In February, the SRTA Board of Directors established an ad-hoc Labor Subcommittee (Directors Watkins, Baugh and Moty) to review SRTA labor issues. They met on three occasions to confer with staff and request information. After a detailed review of SRTA personnel policies, budgets, staff compensation, and consideration of SRTA's recruitment and retention problems of late, the subcommittee developed a comprehensive set of recommendations as detailed in the attached memorandum.

STAFF RECOMMENDATION:

It is recommended that the board of directors consider the attached subcommittee recommendation, and approve the attached resolution which:

1. Requires employees to pay 15% of the CalPERS employee-only PERSChoice medical premium to be phased in annually over three fiscal years in 5% increments starting July 1 of FY 2013/14;
2. Approves salary increases of 5% in FY 2013/14; 5% in FY 2014/15; and 5% in FY 2015/16;
3. Approves a 5% longevity pay increase for employees with over 10 years of cumulative service to the agency; and
4. Directs the executive director to prepare revisions to the SRTA Human Resources Policies and Procedures (for consideration in October), adding provisions for incentive pay ranging from 0% to 5% awarded to high-performing employees, as determined each year by the executive director as part of the employee evaluation process.

DISCUSSION:

As an agency that directs transportation investments, SRTA's productivity and grant success is directly related to the quality of its staff. Exceptional staff is particularly important when compared to staff resources in other regional transportation planning agencies throughout the state, because they directly compete with SRTA for the same transportation grants. Highly qualified and motivated staff, with minimal turnover and vacancies, boosts the ability of SRTA to support the cities and county; secure competitive grants; and maintain the flow of millions of dollars in state and federal transportation funds. As recently evidenced by the Interstate 5 widening projects and the Deschutes interchange project, a strong and stable SRTA workforce can mean the difference in obtaining multi-million dollar capital grants, or not.

Labor Subcommittee Recommendation: The Labor Subcommittee background, methodology, findings, recommendation and conclusions are detailed in the attached memorandum; it provides the basis for this staff report and resolution.

ALTERNATIVES:

The board of directors could refer the matter back to the subcommittee for further evaluation; modify the proposed action; or reject the subcommittee recommendation altogether.

FINANCING:

SRTA has seven full-time and two part-time positions with a total FY 2013/14 budget of $664,000 for salary and benefits, down from $761,659 in FY 2012/13. One of these positions remains vacant after unsuccessful recruiting efforts. Based on current staffing – and assuming successful recruitment of the vacant position – adoption of the subcommittee recommendation will result in costs to the agency as detailed in Attachment 3.

- In the next fiscal year (FY 2013/14), the added cost associated with salary increases – and its effect on benefits and payroll taxes – are estimated at $21,385.
- At full implementation of the three-year phase-in (FY 2015/16), added costs are estimated at $67,721.
- Based on current enrollment, the 15% reduction in employee-only medical premiums would save $5,000 annually (included in the costs shown above), increasing over time.
- The 0% to 5% performance pay incentive and the 5% longevity pay would have variable costs depending on year-to-year circumstances. Presently, longevity pay would apply to one individual with a cost to the agency of $1,954.

As discussed at the SRTA planning fund workshop conducted in May, SRTA consistently accrues unspent state and federal planning revenues of approximately $200,000 annually, while also maintaining a three-year operating reserve. Incremental steps towards more competitive compensation will result in other savings to the agency. These range from reduced staff turnover and training costs, to maintaining a talented staff pool that can strategically invest transportation funds in a way that continues to leverage millions of dollars in planning and capital project grants annually.

Daniel S. Little, AICP, Executive Director

Attachments:

Labor Subcommittee Recommendation (June 13, 2013, Memorandum)
Resolution No. 13-10: Authorizing Changes to Employer-Paid Health Premiums, Salaries, and SRTA Human Resources Policies and Procedures
Attachment 1: SRTA Human Resources Policies and Procedures: Section 204 (Adopted May 2012)
Attachment 2: Compensation Comparison
Attachment 3: Cumulative Agency Cost of 5% Salary Increases Over Three Years
February 26, 2013, Staff Report to SRTA Board of Directors

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DATE: June 13, 2013

TO: Shasta Regional Transportation Agency Board of Directors

FROM: Shasta Regional Transportation Agency Labor Subcommittee
SRTA Chair Greg Watkins
SRTA Vice-Chair Susie Baugh
SRTA Board of Director Leonard Moty

SUBJECT: Salaries, Health Premiums, and Human Resources Policies and Procedures

Background: The SRTA Board of Directors established a labor subcommittee earlier this year to examine staff compensation in relation to SRTA's Human Resources Policies and Procedures.

Approach: Although initial efforts envisioned a union-like negotiation with existing staff, the subcommittee instead opted to approach salary and compensation from the standpoint of the organization as a whole, and SRTA's ability to maintain existing revenues while also continuing to leverage new grants for major transportation projects. More specifically, the subcommittee considered these fundamental questions:

1. What is the value of highly qualified staff in meeting the SRTA mission to compete for state and federal funds, and maintain existing funds?
2. How important is competitive compensation in attracting and retaining highly qualified staff within the specialized job market of transportation planning?
3. What are the hidden costs associated with the loss of trained, experienced staff; the recruitment of under-qualified staff; and continued unsuccessful recruitments?
4. What is SRTA's financial condition? Can the agency comfortably and prudently afford increased compensation to align with the present job market?
5. If the board of directors chooses to increase compensation, what options are available?

Information Reviewed: The subcommittee met on three occasions gathering and reviewing information including the following:

- Discussions with current staff
- SRTA Human Resources Policies and Procedures including Section 204: Policy to determine employee compensation
- SRTA job specifications and compensation
- Compensation among comparable regional agencies in the state – and planning agencies within Shasta County – taking into account agency size and area cost of living
- Current job market, including the local job market
- SRTA finances and unfunded liability
- SRTA retention and recruitment issues, particularly over the past year
- SRTA costs to implement the subcommittee recommendation

Much of the information reviewed by the subcommittee is summarized in the staff report and resolution. The subcommittee determined that detailed and sometimes sensitive data (such as the staff retention and recruitment history) not be included in the final staff report. Executive Director Little has the information and will share it if needed.

Findings: In general, the subcommittee found that SRTA operates efficiently and well within its revenues; SRTA has no major unfunded liabilities. SRTA operating funds are based on stable gas tax revenues that can only be used for SRTA's transportation planning and programming functions as required under state and federal law -- simply put, SRTA operating funds cannot be used to run buses or patch pot holes. Obviously, just having funds available to SRTA is not reason enough to spend them. Taking a page from the private sector, the subcommittee developed its recommendation from a cost-benefit standpoint.

SRTA employee compensation is the lowest among all comparable agencies. This creates retention and recruitment issues that have worsened in the last twelve months. Under-qualified or inexperienced staff can result in substantial costs not only to the agency, but also the public in terms of a diminished ability to compete for state and federal grants – an area where SRTA has served our transportation network, economy and member agencies well in the past.

The subcommittee spent considerable time screening down to the most comparable regional transportation agencies, and local agencies, as part of the compensation survey. Perhaps most compelling is the dichotomy within the planning positions between SRTA and the city of Redding. Redding advertised for an assistant or associate planner last month and total compensation for the same planning classifications are 50% higher than what SRTA can currently offer. Redding's position attracted 90 applicants; a similar SRTA planning recruitment was advertised in the same manner last April and yielded just three applicants – none of which were qualified. The position remains vacant.

Although the subcommittee recommendation is substantial, it is important to keep in mind that SRTA is beginning from a point lower than any other comparable agency. If approved, the subcommittee recommendation will maintain modest compensation in comparison with the city of Redding, bridging about half the gap. Over time, it will also allow SRTA to approach the average compensation among only the lower paying regional transportation planning agencies in California.

The subcommittee has also reviewed and concurs with the findings outlined in the SRTA resolution provided to the board of directors as part of the staff report.

Recommendation: The subcommittee recommends as follows:

1. Require employees to pay 15% of the CalPERS employee-only medical premium to be phased in with 5% increments over the next three fiscal years;
2. Approve salary increases of 5% in FY 2013/14; 5% in FY 2014/15; and 5% in FY 2015/16;
3. Approve a 5% longevity increase for employees with over 10 years of service to the agency; and
4. Add provisions for incentive pay ranging from 0% to 5% awarded to high-performance employees, as determined each year by the executive director as part of the employee evaluation process. The executive director would prepare revisions to the SRTA Human Resources Policies and Procedures to work out details for consideration at the October board of directors meeting.

This action applies to all non-management staff. This leaves only the executive director who has requested that any consideration to his employment agreement not be considered as part of this action; it could be discussed as part of his evaluation which is due in late October.

Conclusion: Upon thorough review of all relevant information, the subcommittee recommends more competitive SRTA staff compensation moving forward, consistent with SRTA's human resource policies. We also recommend that this be tempered with performance-based salary incentives and increased employee cost sharing of rising medical premiums.

Work conducted by SRTA staff is highly specialized. The board of directors, along with management, prudently administer SRTA funds; the agency is in outstanding financial condition. The costs to move SRTA toward more competitive compensation would be offset by a more qualified, stable and experienced staff. More importantly, SRTA staff has shown a penchant for securing millions of dollars in discretionary grants for major projects. Continued success is in the best interest of our economy, member agencies and the public. Similar to the rationale used by private enterprise, offering somewhat competitive compensation is affordable and will likely yield a substantial return-on-investment.

RESOLUTION

RESOLUTION NUMBER:	**13-10**
SUBJECT:	**Authorizing Changes to Employer-Paid Health Premiums, Salaries, and Human Resources Policies and Procedures**

WHEREAS, SRTA has established an ad-hoc Labor Subcommittee (subcommittee) of the board of directors to engage in informal, good faith employee/employer relations which, if successful, is preferred to a more costly and rigid organized labor approach; and

WHEREAS, Section 204 of SRTA's Human Resources Policies and Procedures seek to provide competitive pay in relation to the job market, where agency circumstances allow; and

WHEREAS, Recruiting and maintaining quality staff is important in meeting agency goals, and maximizing state and federal funds that come to the region; and

WHEREAS, The subcommittee examined compensation among comparable agencies which, although eliminating the highest paying agencies, reasonably reflects SRTA staffing and the SRTA areas cost of living; and

WHEREAS, SRTA compensation is the lowest among the 8 transportation planning agencies in California that have a similar cost of living and staffing levels. SRTA is also the lowest among the 15 other transportation planning agencies that have more staff or are located in higher cost of living areas; and

WHEREAS, SRTA compensation is not competitive locally; the city of Redding provides, on average, 50% more compensation than SRTA for the same planning classifications; and

WHEREAS, Non-competitive SRTA compensation has led to significant problems with recruitment, retention, productivity and vacancies within the past 12 months resulting in: (1) the loss of trained staff; (2) training needs and reduced productivity when hiring under-qualified staff; (3) unsuccessful recruitments; and (4) performance discipline issues.

WHEREAS, SRTA retention and recruitment issues have resulted in added agency cost that approach or exceed the incremental cost to provide competitive compensation; and

WHEREAS, Diminished staff experience, knowledge and skill, along with unfilled vacancies in the past 12 months will interfere with SRTA's ability to effectively compete for major capital grants, such as the $51 million in competitive grants SRTA received over the past five years for widening and interchange projects in the I-5 corridor; and

WHEREAS, SRTA consistently operates under budget and enjoys stable gas tax revenues; growing reserves; zero debt; and little to no unfunded liability; and

WHEREAS, Through several cost saving measures this year, SRTA has experienced a $97,659 savings in total salary and benefits (down from $761,659 in the current fiscal year to $664,000 next fiscal year); and

WHEREAS, SRTA operating revenues are based on direct state and federal allocations that can only be used for transportation planning activities. The use of surplus funds to offer competitive compensation will not negatively impact other agencies or public services; and

WHEREAS, SRTA could safely offer competitive compensation while still maintaining long-term and prudent reserves; and

WHEREAS, The subcommittee has considered and recommends a comprehensive and balanced compensation package that provides more attractive and competitive salaries over time, while also controlling employer health care costs and setting high performance expectations through merit-based pay; and

WHEREAS, Competitive compensation will help stabilize SRTA staff and attract more experienced and qualified new hires. Productive staff strengthens the region's ability to maintain the flow of millions of dollars in state and federal funds annually, while strategically leveraging major capital grants for new construction projects.

NOW, THEREFORE, BE IT RESOLVED that the Shasta Regional Transportation Agency:

1. Modifies Section 301.2 of the SRTA Human Resources Policies and Procedures to require that employees pay 15% of the employee-only PERSChoice medical premium to be implemented in 5% increments annually over three years beginning July 1 in FY 2013/14;
2. Authorizes salary increases for non-management staff effective July 1 of each fiscal year as follows: 5% in FY 2013/14; 5% in FY 2014/15; and 5% in FY 2015/16;
3. Approves a 5% longevity salary increase for employees with over 10 years of full-time cumulative service to the agency; and
4. Directs the executive director to prepare revisions to the SRTA Human Resources Policies and Procedures (for consideration in October), adding provisions for incentive pay ranging from 0% to 5% awarded to high-performing employees, as determined each year by the executive director as part of the employee evaluation process.

PASSED AND ADOPTED this 25th day of June, 2013, by the Shasta Regional Transportation Agency.

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Greg Watkins, Chair
Shasta Regional Transportation Agency

204. COMPENSATION

POLICY

The Agency's compensation program is designed to attract, retain, motivate and reward the best possible workforce in an equitable manner. To accomplish this, the Agency has established the following plan, provisions and standards for employee compensation.

GUIDELINES

1. Salary and Wage Plan

The Agency's salary program is designed to pay each employee a salary determined by the competitive job market, job responsibilities, and the required level of expertise.

Officers, supervisors, and employees shall receive the compensation provided in the basic salary schedule set forth by resolution of the board of directors for the classification of the position in which they are employed, in accordance with the allocation of such classifications to ranges of the basic salary schedule and in accordance with the terms of employment hereinafter set forth. The salary of each class shall be further based on the principle that like salaries shall be paid for comparable duties and responsibilities and that Agency salary schedules shall bear a reasonable relationship to prevailing rates of pay in other public jurisdictions and in local private employment.

The executive director or authorized designee has overall responsibility for recommending, interpreting, and monitoring the salary and performance management systems.

2. Salary Structure

The salary structure assigns each Agency position to a salary range that identifies minimum and maximum rates, based on comparable positions at other public sector agencies, according to the skills, responsibilities and qualifications that the position requires, rather than individual job performance or qualifications of the incumbent in that position. Each position is then assigned an appropriate salary range.

Periodically, prior to the board of directors' review and adoption of the Salary and Benefits Resolution, the executive director or authorized designee will review the compensation plan to evaluate current market value and labor market inflation. If appropriate, the executive director or authorized designee will recommend that ranges be adjusted to reflect market changes.

3. Starting Salary

The starting rate of pay for a newly hired employee will be determined by the executive director or authorized designee. The decision as to where to place the newly hired employee within the predetermined salary range is made according to the knowledge, skills and abilities and job-related experience the employee brings to the Agency. The executive director has the authority to hire either at step A, B, or C, depending on qualifications. The board may authorize hiring at higher steps.

4. Performance Review

Supervisors are responsible for reviewing each employee's performance during the annual performance evaluation period for all employees. Based upon the results of the performance review, the executive director or authorized designee will make salary adjustments, within the approved salary ranges and the adopted budget for the following fiscal year.
Accurate performance reviews are particularly important and will be considered for potential salary adjustments at the sole discretion of the executive director or authorized designee.

5. Timing of Salary Increases

Employees' salaries will be reviewed for the first time during the 6-month probationary performance evaluation and annually thereafter. The employee's performance evaluation will be taken into consideration. Increases will be considered depending on the employee's overall performance evaluation score.

6. Promotions

An employee who is promoted to a higher classification within the established compensation plan will receive at least a 5% salary increase within a specified salary step of the new position.

7. Paydays

All salaries and wages shall be paid on a biweekly basis not later than the Friday following the end of the pay period for the preceding two weeks' earnings.

ATTACHMENT 2: COMPENSATION COMPARISON

Agency	# of Staff	Assistant Planner: Salary (max)	CalPERS or Alternative	Employer Paid Medical (employee only)	Additional Employer Paid Medical if Full Family	Total Comp. (excludes payroll taxes)	% Over SRTA
Butte CAG	11	$56,892	$ 3,982	$ 650	$ 1,040	$ 62,564	19%
Humboldt CAOG	5	no comparable					n/a
Placer TPA	7	$65,316	$ 4,572	$ 650	$ 1,040	$ 71,578	36%
El Dorado CTC	6	$61,498	$ 2,460	$ 650	$ 1,040	$ 65,647	25%
Merced CAG	19	$65,231	$ 9,785	$ 650	$ 1,040	$ 76,705	46%
Kings CAG	5	$55,453	$ 3,882	$ 650	$ 330	$ 60,314	15%
Madera CTC	7	$52,831	$ 7,925	$ 650	$ 1,040	$ 62,445	19%
Tulare COG	18	$62,026	$ 4,342	$ 552	$ 428	$ 67,348	28%
SRTA	7	$51,516	$ -	$ 650	$ 330	$ 52,496	
Average maximum salary:		$59,892	$ 5,278	n/a		$ 66,657	27%
Local Comparison							
Redding	9	$75,888	$ 5,312	$ 650	$ 1,040	$ 82,890	58%
Shasta County	10	$51,516	$ -	$ 650	$ 330	$ 52,496	0%
COR/County Avg.		$63,702	$ 2,656	$ 650	$ 685	$ 67,693	29%

Agency	Associate Planner: Salary (max)	CalPERS or Alternative	Employer Paid Medical (employee only)	Additional Employer Paid Medical if Full Family	Total Comp. (excludes payroll taxes)	% Over SRTA
Butte CAG	$ 62,724	$ 4,391	$ 650	$ 1,040	$ 68,804	14%
Humboldt CAOG	$ 66,419	$ 4,649	$ 650	$ 1,040	$ 72,758	20%
Placer TPA	$ 78,264	$ 5,478	$ 650	$ 1,040	$ 85,432	41%
El Dorado CTC	$ 70,927	$ 2,837	$ 650	$ 1,040	$ 75,454	24%
Merced CAG	$ 71,917	$ 10,788	$ 650	$ 1,040	$ 84,394	39%
Kings CAG	$ 71,136	$ 4,980	$ 650	$ 330	$ 77,095	27%
Madera CTC	$ 64,237	$ 9,636	$ 650	$ 1,040	$ 75,562	25%
Tulare COG	$ 69,782	$ 4,885	$ 650	$ 330	$ 75,647	25%
SRTA	$ 59,640	$ -	$ 650	$ 330	$ 60,620	
Average maximum salary:	$ 69,426	$ 5,955	n/a		$ 76,893	27%
Local Comparison						
Redding	$ 91,464	$ 6,402	$ 650	$ 1,040	$ 99,556	64%
Shasta County	$ 59,640	$ -	$ 650	$ 330	$ 60,620	0%
COR/County Avg.	$ 75,552	$ 3,201	$ 650	$ 685	$ 80,088	32%

Agency	Senior Planner: Salary (max)	CalPERS or Alternative	Employer Paid Medical (employee only)	Additional Employer Paid Medical if Full Family	Total Comp. (excludes payroll taxes)	% Over SRTA
Butte CAG	$ 80,052	$ 5,604	$ 650	$ 1,040	$ 87,345	9%
Humboldt CAOG	$ 70,868	$ 4,961	$ 650	$ 1,040	$ 77,518	-3%
Placer TPA	$ 95,016	$ 6,651	$ 650	$ 1,040	$103,357	29%
El Dorado CTC	$ 82,559	$ 3,302	$ 650	$ 1,040	$ 87,551	9%
Merced CAG	$ 79,289	$ 11,893	$ 650	$ 1,040	$ 92,871	16%
Kings CAG	$ 79,373	$ 5,556	$ 650	$ 330	$ 85,909	7%
Madera CTC	no comparable					n/a
Tulare COG	$ 79,975	$ 5,598	$ 650	$ 330	$ 86,553	8%
SRTA	$ 79,152	$ -	$ 650	$ 330	$ 80,132	
Average maximum salary:	$ 81,019	$ 6,224	n/a		$ 88,729	11%
Local Comparison						
Redding	$101,592	$ 7,111	$ 650	$ 1,040	$110,393	38%
Shasta County	$ 79,152	$ -	$ 650	$ 330	$ 80,132	0%
COR/County Avg.	$ 90,372	$ 3,556	$ 650	$ 685	$ 95,263	19%

Agency	Executive Assistant: Salary (max)	CalPERS or Alternative	Employer Paid Medical (employee only)	Additional Employer Paid Medical if Full Family	Total Comp. (excludes payroll taxes)	% Over SRTA	Chief Financial Officer: Salary (max)	CalPERS or Alternative	Employer Paid Medical (employee only)	Additional Employer Paid Medical if Full Family	Total Comp. (excludes payroll taxes)	% Over SRTA
Butte CAG	$ 45,852	$ 3,210	$ 650	$ 1,040	$ 50,751	25%	$ 80,052	$ 5,604	$ 650	$ 1,040	$ 87,345	9%
Humboldt CAOG	$ 45,692	$ 3,198	$ 650	$ 1,040	$ 50,580	24%	no comparable					n/a
Placer TPA	$ 79,716	$ 5,580	$ 650	$ 1,040	$ 86,986	113%	$ 94,308	$ 6,602	$ 650	$ 1,040	$102,599	28%
El Dorado CTC	$ 55,056	$ 2,202	$ 650	$ 1,040	$ 58,948	45%	$ 78,068	$ 3,123	$ 650	$ 1,040	$ 82,880	3%
Merced CAG	$ 48,676	$ 7,301	$ 650	$ 1,040	$ 57,667	41%	$ 111,567	$ 16,735	$ 650	$ 1,040	$129,992	62%
Kings CAG	no comparable					n/a	no comparable					n/a
Madera CTC	$ 46,121	$ 6,918	$ 650	$ 1,040	$ 54,729	34%	$ 87,079	$ 13,062	$ 650	$ 1,040	$101,830	27%
Tulare COG	$ 42,744	$ 2,992	$ 650	$ 330	$ 46,716	15%	$ 87,757	$ 6,143	$ 650	$ 330	$ 94,880	18%
SRTA	$ 39,780	$ -	$ 650	$ 330	$ 40,760		$ 79,152	$ -	$ 650	$ 330	$ 80,132	
Avg. Max. Salary	$ 51,980	$ 4,486	n/a		$ 58,054	42%	$ 89,805	$ 8,545	n/a		$ 99,921	25%
Local Comparison												
Redding	$ 53,747	$ 3,762	$ 650	$ 1,040	$ 59,199	45%	no comparable					
Shasta County	$ 39,780	$ -	$ 650	$ 330	$ 40,760	0%	no comparable					
COR/County Avg.:	$ 46,764	$ 1,881	$ 650	$ 685	$ 49,980	23%	no comparable					

ATTACHMENT 3: CUMULATIVE AGENCY COST OF 5% SALARY INCREASES OVER THREE YEARS

FY 2013/14

Position	Prior Year Salary	Benefits/ Payroll Taxes*	Total Payroll Cost*		FY 2013/14 5% Salary Increase	Benefits/ Payroll Taxes*	New Payroll Cost*
Associate Planner	$ 54,205	$ 19,889	$ 74,094		$ 56,915	$ 19,985	$ 76,900
Associate Planner	$ 54,205	$ 19,931	$ 74,136		$ 56,915	$ 20,027	$ 76,942
Senior Planner (part time/ Step C)	$ 34,185	$ 6,776	$ 40,961		$ 35,894	$ 7,089	$ 42,983
Senior Planner (vacant/step A)	$ 62,016	$ 21,465	$ 83,481		$ 65,117	$ 21,632	$ 86,749
Senior Planner	$ 79,144	$ 25,351	$ 104,495		$ 83,101	$ 26,075	$ 109,176
CFO	$ 71,802	$ 24,775	$ 96,577		$ 75,392	$ 25,032	$ 100,424
Executive Assistant	$ 39,790	$ 17,609	$ 57,399		$ 41,780	$ 17,573	$ 59,353
Total:	$ 395,347	$ 135,796	$ 531,143		$ 415,114	$ 137,413	$ 552,528
				Difference:	$ 19,767	$ 1,617	$ 21,385

FY 2014/15

Position	Prior Year Salary	Benefits/ Payroll Taxes*	Total Payroll Cost*		FY 2014/15 5% Salary Increase	Benefits/ Payroll Taxes*	New Payroll Cost*
Associate Planner	$ 56,915	$ 19,985	$ 76,900		$ 59,761	$ 20,106	$ 79,867
Associate Planner	$ 56,915	$ 20,027	$ 76,942		$ 59,761	$ 20,148	$ 79,909
Senior Planner (part time/ Step C)	$ 35,894	$ 7,089	$ 42,983		$ 37,689	$ 7,417	$ 45,106
Senior Planner (vacant/step A)	$ 65,117	$ 21,632	$ 86,749		$ 68,373	$ 21,828	$ 90,201
Senior Planner	$ 83,101	$ 26,075	$ 109,176		$ 87,256	$ 26,836	$ 114,092
CFO	$ 75,392	$ 25,032	$ 100,424		$ 79,162	$ 25,322	$ 104,484
Executive Assistant	$ 41,780	$ 17,573	$ 59,353		$ 43,868	$ 17,555	$ 61,424
Total:	$ 415,114	$ 137,413	$ 552,528		$ 435,870	$ 139,212	$ 575,082
				Cumulative Difference:	$ 40,523	$ 3,416	$ 43,939

FY 2015/16

Position	Prior Year Salary	Benefits/ Payroll Taxes*	Total Payroll Cost*		FY 2015/16 5% Salary Increase	Benefits/ Payroll Taxes*	New Payroll Cost*
Associate Planner	$ 59,761	$ 20,106	$ 79,867		$ 62,749	$ 20,253	$ 83,002
Associate Planner	$ 59,761	$ 20,148	$ 79,909		$ 62,749	$ 20,295	$ 83,044
Senior Planner (part time/ Step C)	$ 37,689	$ 7,417	$ 45,106		$ 39,573	$ 7,762	$ 47,335
Senior Planner (vacant/step A)	$ 68,373	$ 21,828	$ 90,201		$ 71,791	$ 22,054	$ 93,845
Senior Planner	$ 87,256	$ 26,836	$ 114,092		$ 91,619	$ 27,634	$ 119,253
CFO	$ 79,162	$ 25,322	$ 104,484		$ 83,120	$ 25,646	$ 108,766
Executive Assistant	$ 43,868	$ 17,555	$ 61,424		$ 46,062	$ 17,557	$ 63,619
Total:	$ 435,870	$ 139,212	$ 575,082		$ 457,664	$ 141,200	$ 598,864
				Cumulative Difference:	$ 62,317	$ 5,404	$ 67,721

*Includes employer share CalPERS (12.1%) and medical; workers comp.; disability, and S.S. Alternative (6.2%).

STAFF REPORT

MEETING DATE:	**2/26/13**
SUBJECT:	**Consider Approval of Employer-Employee Resolution and Related Actions**
AGENDA ITEM:	**12**
STAFF CONTACT:	**Dan Little**

STAFF RECOMMENDATION:

It is recommended that the board of directors:

1. Adopt the attached Employer-Employee Relations Resolution; and
2. Approve and appoint a board of director's ad-hoc subcommittee to guide informal labor discussions.

DISCUSSION:

SRTA, as a newly established independent public agency, is required to have procedures to guide employer-employee relations consistent with applicable labor laws. The attached Employer-Employee Relations Resolution addresses formation of unions and labor bargaining rights. These resolutions are highly standardized; the attached procedures are based closely on another agency's recent update. Adoption of the resolution does not require formation of a union, it merely spells out procedures should eligible SRTA staff decide to organize. Approval of the attached resolution is independent of the second action item to pursue informal labor discussions. In fact, if labor discussions can continue informally to everyone's satisfaction, the laws and formalized processes in the Employer-Employee Relations Resolution would not be triggered.

SRTA staff was once unionized prior to formation of the independent agency. Staff has expressed no desire to organize at this time – stating instead that they prefer to communicate labor matters more informally with the board of directors. On February 20, staff met with SRTA legal counsel and the SRTA Fiscal Committee (board of director members Moty and Watkins) to discuss an informal employer-employee relations process. An informal process would facilitate communication, but without the confines of a more rigid and cumbersome union process. It was agreed that an informal process to develop an employer-employee MOU (or something similar) could be beneficial to all parties – especially for a small agency such as SRTA. From the employer perspective, an informal process would result in reduced costs and staff time. From the employee perspective, an informal process would ideally be more communicative, non-adversarial, and expeditious. Success towards these benefits would depend on good-faith efforts by all parties.

The SRTA Fiscal Committee recommends that the full board of directors consider approval of an informal employer-employee relations process and appoint an ad-hoc labor subcommittee to help guide the process. It is envisioned that the subcommittee would meet once or twice to discuss labor proposals with staff representatives prior to consideration by the full board of directors in April. The labor committee should consist of two to three board members. It could be the SRTA chair and vice chair, the same members of the fiscal committee, or any other appointments deemed appropriate by the board of directors.

ALTERNATIVES:

The board of directors could reject the proposal for informal employer-employee relations. It would then be up to staff to invoke the formal union process with the board of directors as set forth in the resolution.

FINANCING:

Adoption of Employer-Employee Relations Resolution will have no fiscal impact. Approval of an informal process, if successful, would result in reduced cost to the agency related to management time, legal fees and, if needed, labor negotiators.

Daniel S. Little, AICP, Executive Director

Attachments: Resolution No. 13-03